

Germany - Tax Guide

Employee Share Purchase Plan

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1. Introduction

The following is a summary of the tax treatment of an award made to you by Seagate Technology Holdings PLC under the Employee Share Purchase Plan (the "Plan"). This summary assumes that you have been resident in Germany during the lifecycle of the award.

The tax treatment as explained herein is intended as a guide only. It is limited to a general description of the national tax laws, and is not intended to address city, regional, or other local tax laws that may be applicable to you. It may not apply to your particular tax or financial situation, and we are not in a position to assure you of any particular tax result. Therefore, we recommend that you consult with your own independent tax advisor regularly to determine the consequences of taking or not taking any action concerning your shares, and to determine how the tax or other laws in Germany apply to your specific situation. This information was last reviewed in January, 2026.

2. Overview

Award

- It allows you to purchase Seagate Technology Holdings PLC shares at a discount.
- You are **not subject to taxation on equity** at this point.

Purchase

- You will **be subject to tax** at this point.
- The taxable amount is calculated based upon the market value of the shares at the date of purchase less the price paid for the shares.
- **Seagate Technology Holdings PLC is responsible for reporting the income.**
- You are also **responsible for reporting the income.**

Sale

- The date you sell Seagate Technology Holdings PLC shares.
- This event may generate additional income known as Capital Gain (CG), or a loss.
- Generally speaking, Capital Gain is the growth in value from purchase to sale.
- If there is a **Capital Gain** on the sale of shares, tax is due in the tax year of sale.
- You are responsible for calculating the tax and reporting this capital gain.

3. Tax Treatment

	Award	Purchase	Sale
Action required	No action required.	Pay any taxes due.	Pay any taxes due.

		Report the income on tax return.	Report the income on tax return.
Income tax / Capital gains tax	No	Income tax payable at rates up to 47.475%.	Capital gains tax payable at rates up to 26.375%.
Employee social tax	No	<p>Yes</p> <p>Health Insurance: Flat rate of 7.3% capped at earnings of EUR 69,750 of income per year.</p> <p>Compulsory Long Term Health: Flat rate of 2.4% capped at earnings of EUR 69,750 of income per year.</p> <p>Pension: Flat rate of 9.3% capped at earnings of EUR 101,400 of income per year.</p> <p>Unemployment: Flat rate of 1.3% capped at earnings of EUR 101,400 of income per year.</p> <p>Additional Health Insurance: Flat rate of 1.45% capped at earnings of EUR 69,750 of income per year.</p>	No
Employer's social tax	No	<p>Yes</p> <p>Health Insurance: Flat rate of 7.3% capped at earnings of EUR 69,750 of income per year.</p> <p>Compulsory Long Term Health: Flat rate of 1.8% capped at earnings of EUR 69,750 of income per year.</p> <p>Pension Insurance: Flat rate of 9.3% capped at earnings of EUR 101,400 of income per year.</p> <p>Unemployment: Flat rate of 1.3% capped at earnings of EUR 101,400 of income per year.</p> <p>Fund Against Insolvencies: Uncapped flat rate of 0.15%.</p> <p>Legal Accident Insurance (may vary): Uncapped flat rate of 1.3%.</p> <p>Additional Health Insurance : Flat rate of 1.45% capped at earnings of EUR 69,750 of income per year.</p>	No
Income tax withholding	No	Yes	No
Employee social tax withholding	No	Yes	No
Employee tax reporting	No	Yes	Yes
Employer tax reporting	No	Yes	No
Tax return deadline	By July 31 of the following tax year		
What documents do I need for my taxes	N/A	N/A	N/A
Foreign asset reporting	While there are no specific foreign asset reporting obligations, residents of Germany may need to report any assets held outside Germany, including any shares acquired under an employee share plan,		

	in their annual tax return.
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Income tax - The rates set out in this guide are marginal rates. In the event that you are required to pay income tax on the value of your award, the amount of income tax you pay will depend on your marginal tax rate. Generally, the more you earn, the higher your marginal income tax rate.

4. Will I pay tax when I am granted an award under the ESPP?

You will not have to pay any tax when you are granted a right to acquire shares under the ESPP.

5. Will I pay tax when I receive my shares?

Income Taxes

When the shares are purchased, you will be required to pay income tax on the difference between the purchase price and the market value of the shares at that time at rates of up to 47.475%.

The maximum income tax rate includes solidarity tax but excludes any church taxes which may also be due, depending on your denomination.

- Solidarity tax is, depending on total income and individual circumstances, payable at rates up to 5.5% of the income tax payable and must be withheld by the local company.
- Church tax can be payable at a rate of up to 9% of the income tax payable, depending on the employee's religious denomination, if the employee is registered with a recognized religious institution; the local affiliate is required to withhold such additional taxes from monthly wages unless the religious community has elected to collect the church tax itself.

Social Taxes

You will also be required to pay the following taxes:

- **Health Insurance:** For earnings up to EUR 69,750 per year, you will be required to pay social taxes on the difference between the purchase price and the market value of the shares on purchase at a rate of 7.3%.
- **Compulsory Long Term Health:** For earnings up to EUR 69,750 per year, you will be required to pay social taxes on the difference between the purchase price and the market value of the shares on purchase at a rate of 2.4%.
- **Pension:** For earnings up to EUR 101,400 per year, you will be required to pay social taxes on the difference between the purchase price and the market value of the shares on purchase at a rate of 9.3%.
- **Unemployment:** For earnings up to EUR 101,400 per year, you will be required to pay social taxes on the difference between the purchase price and the market value of the shares on purchase at a rate of 1.3%.
- **Additional Health Insurance:** For earnings up to EUR 69,750 per year, you will be required to pay social taxes on the difference between the purchase price and the market value of the shares on purchase at a rate of 1.45%.

Payment is due by the 3rd last banking day of the month of the taxable event.

Payment Method

Seagate Technology Holdings PLC will deduct and withhold tax on your behalf.

Any variance between the amount of tax withheld and your actual tax liability will be your responsibility.

6. How will any benefits under the ESPP be reported?

You will need to report:

- Any income tax due on purchase of the shares to the tax authorities in the annual tax return, due by July 31. An extension until the end of February is available if the tax return is prepared by a professional tax advisor.
- Any capital gains tax due on the sale of shares to the tax authorities in the annual tax return, due by July 31. No reporting is required where the capital gains tax has already been deducted by a depository bank.

7. Will I have to pay any tax on any dividends paid on the shares?

A dividend is a right to participate in the company's profits, at the discretion of the board of directors.

Any dividends you receive will be taxed at a rate of 26.375%.

A flat rate of 25%, plus solidarity surcharge, resulting in a maximum rate of 26.375%.

8. Will I pay any tax when I sell my shares?

As the calculation of capital gains can be complex and may be subject to certain exemptions, we recommend that you consult your personal financial/tax advisor.

If the sale price of your shares is higher than their cost basis (broadly, the cost basis is equal to the fair market value of the shares

at the time of purchase), the difference will be taxable as a capital gain, at a rate up to 26.375%. If the sale price is lower than the cost basis of the shares, you may realize a capital loss.

There is an annual exemption of up to EUR 1,000 per year from capital gains taxation.

Solidarity tax at rates up to 5.5% of the tax paid and church tax may also apply. The applicable tax rate is a maximum of 26.375% including solidarity tax but excluding church tax.

No payment is required where the capital gains tax has already been deducted by a depository bank.

When you sell your shares, the local company will not withhold any taxes on the gains. You should report any gain or loss arising in your tax return for the tax year in which the sale took place.

9. Additional Information

Tax reduction (One-fifth rule)

The employee may benefit from an income tax rate reduction (the so-called “one-fifth rule”) if certain conditions are satisfied. This benefit is applicable to earned income, such as cash or shares, where the income covers at least two years of work and has an earning (vesting) period of longer than 12 months. Where the one-fifth rule applies, tax is calculated by:

- Firstly, calculating the wage tax on the employee’s taxable income, ignoring the extraordinary income (i.e., the earned income from cash or share settled incentive awards that satisfy the conditions set out above)
- Second, add one-fifth of the extraordinary income to the employee’s other taxable income and calculate the income tax due
- Lastly, multiply the difference between the two sums calculated in accordance with the two bullet points above by five.

In such case, it may be possible to apply income tax at a lower rate. However, the tax savings are negligible if the employee’s ordinary income is already in the 42% or 45% range.

Effective January 1, 2025, the one-fifth rule will no longer be available during the withholding process. However, individuals can apply for this rule via their personal income tax return.

Social security contributions

Maximum basis

For the purposes of pension and unemployment insurance contributions, the maximum basis is EUR 101,400 for all Federal States and for health insurance and long-term care insurance for disability and old age, the maximum basis is EUR 69,750 for all Federal States.

Health insurance contributions

An additional contribution (on average 2.9% in 2026) to be borne equally by employee and employer is levied, leading to an average additional contribution of 1.45% (up to the maximum basis) being payable by both the employee and the employer. Note that each statutory health insurance fund sets its own individual additional contribution rate, which may be higher than the average rate set out above.

Compulsory long term care contributions

The employee contribution rate displayed in this summary reflects the rate for employees with no children. Please note, the employee contribution rate (but not the employer contribution rate) decreases based on the number of children the employee has. For example, the employee contribution rate for employees with one child is 1.8% (up to the maximum basis) and the employee contribution rate for employees with five or more children is 0.8% (up to the maximum basis).

Exchange Control issues

Cross-border transactions with a value equal to or exceeding EUR 50,000 or the equivalent in another currency require minor notifications to the *Bundesbank*. The report must be made by the 5th day of the month following the month in which the payment was received via the website *Allgemeine Meldeportal Statistik*. The notifications are usually made on your behalf by the local bank that effects the transfer, but you are responsible for satisfying the reporting obligation in the event the bank does not file the notification.

10. Sample tax calculation

This illustrative example assumes the following:

- Purchase price of USD 70.
- An income tax rate of 47.475%.
- Capital Gains Tax of 26.375%.

- This example does not take into account any annual Capital Gains Tax (CGT) exemptions which may be available.
- This illustration does not take into account any capped social tax amount.
- Tax calculation is based on the currency in which the shares are traded and any subsequent currency conversion has not been applied.

Tax implications

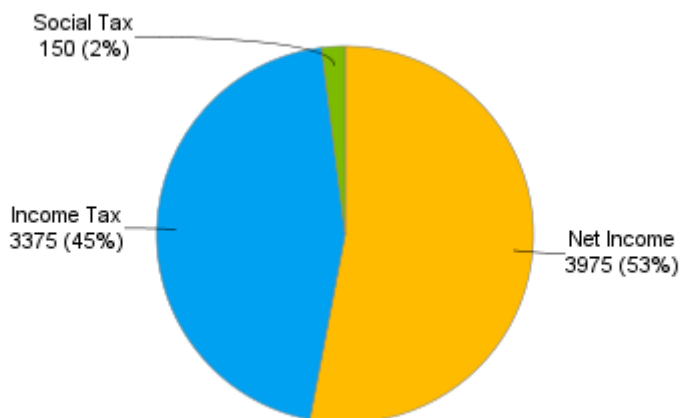
Award

No taxes due.

Purchase

Number of Shares Purchased	100
Purchase Price	USD 70
Fair Market Value (FMV) of the shares on Purchase	USD 80
Taxable Income (100 x USD 80) - (100 x USD 70)	USD 1,000
<u>Income Tax Withheld (USD 1,000 x 47.475%)</u>	<u>USD 474.75</u>
Net Income (USD 1,000 - USD 474.75)	USD 525.25

Vesting

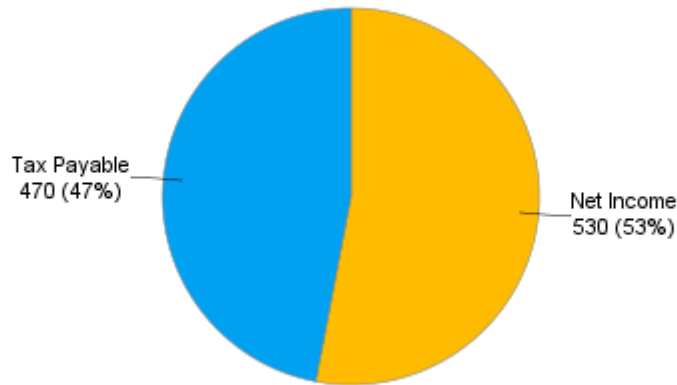


Sale

Number of shares sold	100
Fair Market Value (FMV) of the shares on sale	USD 85
Sale Proceeds (100 x USD 85)	USD 8,500
Less: Acquisition Costs	
Amount previously taxed	USD 8,000
Capital Gain	USD 500
<u>Tax Payable (USD 500 x 26.375%)</u>	<u>USD 131.88</u>
Net Income (USD 500 - USD 131.88)	USD 368.12

* Please note you may be able to benefit from an annual capital gains exemption of EUR 1,000 for the 2026 tax year.

Sale



** Please note the above is for information purposes only. Transaction fees may also apply and are not included.*

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